

SECOND REGULAR SESSION

SENATE BILL NO. 1255

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR DOUGHERTY.

Read 1st time March 1, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

5508S.02I

AN ACT

To repeal section 208.014, RSMo, and to enact in lieu thereof seven new sections relating to the reorganization of the state health care system, with an emergency clause.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 208.014, RSMo, is repealed and seven new sections enacted in lieu thereof, to be known as sections 37.625, 37.630, 37.635, 37.640, 37.645, 37.650, and 208.014, to read as follows:

37.625. With the growing concern and complexities of health issues in this state, it is the intent of the general assembly to create a "Division of Community Health" within the office of administration dedicated to health issues. Recognizing that the manner in which health care is currently administered at the state level is fragmented and often unresponsive to health care issues, the new division is created for the following purposes:

(1) To serve as the lead planning state entity for all health issues in the state to remedy the current situation wherein the responsibility for health care policy, purchasing, planning, and regulation is spread among many different agencies and departments;

(2) To permit the state to maximize its purchasing power inasmuch as the state now has none of its health care purchasing coordinated;

(3) To minimize duplication and maximize administrative efficiency in the state's health care systems by removing overlapping functions and streamlining uncoordinated programs;

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 (4) To allow the state to develop a better health care
19 infrastructure that is more responsive to the consumers it serves while
20 improving access to and coverage for health care; and

21 (5) To focus more attention and divisional procedures on the
22 issue of wellness, including diet, exercise, and personal responsibility.

 37.630. 1. There is hereby created a "Board of Community
2 Health" within the office of administration which shall establish the
3 general policy to be followed by the division of community health. The
4 initial board shall consist of the following eleven members:

5 (1) One member of the house of representatives appointed by the
6 speaker of the house of representatives;

7 (2) One member of the senate appointed by the president pro tem
8 of the senate;

9 (3) The director of the department of insurance or the director's
10 designee;

11 (4) The commissioner of the office of administration or the
12 commissioner's designee;

13 (5) The director of the division of medical services or the
14 director's designee;

15 (6) One commissioner of the commission for the Missouri Rx
16 plan, appointed by the governor with the advice and consent of the
17 senate;

18 (7) The executive director of the Missouri consolidated health
19 care plan or the director's designee;

20 (8) One member of the state highways and transportation
21 commission, appointed by the governor with the advice and consent of
22 the senate;

23 (9) The director of the department of social services or the
24 director's designee;

25 (10) One member of the state conservation commission,
26 appointed by the governor with the advice and consent of the senate;
27 and

28 (11) One member of the board of curators of the University of
29 Missouri, appointed by the governor with the advice and consent of the
30 senate.

31 2. After December 1, 2007, seven additional members of the board
32 shall be appointed by the governor with the advice and consent of the

33 senate. The new members shall consist of:

- 34 (1) One member of the Missouri school boards association;
35 (2) One member of the Missouri community colleges association;
36 (3) One representative of the public four-year institutions of
37 higher education, excluding the University of Missouri;
38 (4) Two individual representatives of small business in this state;
39 and
40 (5) Two individuals representing the general public.

41 3. The members of the board listed in subdivisions (8), (10), and
42 (11) of subsection 1 of this section and subdivisions (1) to (3) of
43 subsection 2 of this section shall serve for two-year terms and may be
44 reappointed. Vacancies in office shall be filled in the same manner as
45 the position on the board which becomes vacant; except that, the
46 members of the board listed in subdivisions (5), (6), and (7) of
47 subsection 1 of this section shall, after June 30, 2007, be appointed by
48 the governor from the office of medical services, the office of the
49 Missouri Rx plan, and the office of the Missouri consolidated health
50 care plan, respectively. Each appointment by the governor shall be
51 with the advice and consent of the senate.

52 4. A chairperson of the board shall be elected by and from the
53 membership of the board and such chairperson shall be the presiding
54 officer of the board.

55 5. The members of the board shall receive a per diem allowance
56 and expenses as set and approved by the office of administration in
57 conformance with rates and allowances set for members of other state
58 boards.

37.635. 1. The division of community health shall carry out all
2 powers, duties, and functions previously performed by:

- 3 (1) The division of medical services under section 208.201, RSMo;
4 (2) The commission of the Missouri Rx plan as established by
5 section 208.792, RSMo;
6 (3) The state highways and transportation commission, relating
7 to the furnishing of health insurance benefits to cover medical
8 expenses for members of the highways and transportation employees'
9 and highway patrol retirement system;
10 (4) The board of trustees of the Missouri consolidated health care
11 plan under chapter 103, RSMo;

12 (5) The department of social services, relating to the
13 administration of a program to pay for health care for uninsured
14 children under sections 208.631 to 208.657, RSMo;

15 (6) The state conservation commission, relating to the furnishing
16 of health insurance for department of conservation employees and their
17 dependents and retirees;

18 (7) The board of curators of the University of Missouri, relating
19 to the furnishing of health insurance plans for employees of the
20 university system and their dependents and retirees.

21 2. After June 30, 2007, the offices of the division of community
22 health shall be as follows:

23 (1) The division of medical services shall be transferred to the
24 division of community health on July 1, 2007, and shall thereafter be
25 known as the "Office of Medical Services" within the division;

26 (2) The commission for the Missouri Rx plan shall be transferred
27 to the division of community health on July 1, 2007, and shall thereafter
28 be known as the "Office of the Missouri Rx Plan" within the division;

29 (3) The board of trustees of the Missouri consolidated health care
30 plan shall be transferred to the division of community health on July
31 1, 2007, and shall thereafter be known as the "Office of the Missouri
32 Consolidated Health Care Plan";

33 (4) The office of the transportation employees health care plan;

34 (5) The office of health care for uninsured children;

35 (6) The office of the conservation commission employees health
36 care plan;

37 (7) The office of the University of Missouri employees health care
38 plan; and

39 (8) Such other offices as the board may establish within the
40 division.

41 3. In addition to its other powers, duties, and functions, the
42 division of community health shall carry out the following objectives:

43 (1) Be the lead agency in coordinating and purchasing health
44 care benefit plans for all state employees, dependents, and retirees and
45 those recipients of programs provided in subsection 1 of this section,
46 and study and recommend any additional functions needed to carry out
47 the purposes of the division including the number and qualifications of
48 employees that the division will require in fiscal year 2008. An analysis

49 and status of the duties established in this subdivision, along with any
50 recommendations, shall be made to the governor and general assembly
51 by December 31, 2006;

52 (2) Be authorized to appoint a health care work force policy
53 advisory committee to oversee and coordinate work force planning
54 activities;

55 (3) Be authorized to solicit and accept donations, contributions,
56 and gifts and receive, hold, and use grants, devises, and bequests of
57 real, personal, and mixed property on behalf of the state to enable the
58 division to carry out its functions and purposes; and

59 (4) After December 1, 2007, the division shall investigate
60 coordinating and purchasing health care benefit plans for employees
61 of the public schools, community colleges, political subdivisions of the
62 state, and public four-year institutions of higher education, excluding
63 the University of Missouri, and all such employees' dependents and
64 investigate the lack of availability of health insurance coverage and the
65 issues associated with the uninsured population of this state. The
66 division is authorized to investigate the feasibility of creating and
67 administering insurance programs for small businesses and to propose
68 cost-effective solutions to reducing the numbers of uninsured in this
69 state. An analysis and status of the duties established in this
70 subdivision, along with any recommendations, shall be made to the
71 governor and the general assembly by December 31, 2008.

72 4. By July 1, 2008, the division shall be the lead agency to
73 coordinate and implement the state Medicaid health care delivery
74 system under Title XIX, Public Law 89-97, 1965, amendments to the
75 federal Social Security Act (42 U.S.C. Section 30 et. seq.), as amended,
76 until July 1, 2009, when the Medicaid program shall be assimilated with
77 health care benefit plans for the employees and their dependents of the
78 public schools, community colleges, and political subdivisions of the
79 state and the health plans of small businesses, as provided for in this
80 section.

81 5. After July 1, 2009, the division shall be the lead agency in
82 coordinating and purchasing health care benefit plans for the
83 employees and their dependents of the public schools, community
84 colleges, and political subdivision of the state whenever such entities
85 opt to join the collective purchasing power of the division.

86 6. After July 1, 2009, the division shall implement a program
87 whereby small businesses with less than fifty employees and uninsured
88 citizens may opt to join the collective purchasing power of the division.

89 7. By June 30, 2007, the division shall submit a plan to the
90 general assembly and to the governor's office that would effectuate the
91 goal of reducing the number of uninsured by fifty percent over five
92 years. Such plan to meet the goal shall be put in place by June 30,
93 2009.

 37.640. 1. To assist in the transition of functions, all persons
2 employed by any entity listed in subsection 1 of section 37.635 on June
3 30, 2007, shall on July 1, 2007, become employees of the division of
4 community health within the office into which such predecessor agency
5 has become. If the entity being transferred does not constitute an
6 entire division, commission, department, or other state entity, the
7 transfer of employees shall be limited to those employees performing
8 the functions described in subsection 1 of section 37.635. Such
9 employees shall be subject to the employment practices and policies of
10 the division of community health on and after July 1, 2007, but the
11 compensation and benefits of such transferred employees shall not be
12 reduced as a result of such transfer. Employees who are under the
13 state merit system of personnel administration and who are transferred
14 to the division of community health shall retain all existing rights
15 under the state merit system. Retirement rights of such transferred
16 employees existing under the employees' retirement system of Missouri
17 or other public retirement systems on June 30, 2007, shall not be
18 impaired or interrupted by the transfer of such employees and
19 membership in any such retirement system shall continue in the same
20 status possessed by the transferred employees on June 30,
21 2007. Accrued annual and sick leave possessed by such employees on
22 June 30, 2007, shall be retained by such employees as employees of the
23 division of community health.

24 2. All rules, regulations, policies, procedures, and administrative
25 orders of the predecessor agencies, board, or commissions which were
26 in effect on June 30, 2007, or scheduled to go into effect on or after July
27 1, 2007, and which relate to the functions transferred to the division by
28 sections 37.625 to 37.645 shall become the rules, regulations, policies,
29 procedures, and administrative orders of the division of community

30 health. Such rules, regulations, policies, procedures, and
31 administrative orders shall remain in effect until amended, repealed,
32 superseded, or nullified by the promulgation of rules by the office of
33 administration which is hereby authorized. Any rule or portion of a
34 rule, as that term is defined in section 536.010, RSMo, that is created
35 under the authority delegated in this section shall become effective
36 only if it complies with and is subject to all of the provisions of chapter
37 536, RSMo, and, if applicable, section 536.028, RSMo. This section and
38 chapter 536, RSMo, are nonseverable and if any of the powers vested
39 with the general assembly under chapter 536, RSMo, to review, to delay
40 the effective date, or to disapprove and annul a rule are subsequently
41 held unconstitutional, then the grant of rulemaking authority and any
42 rule proposed or adopted after August 28, 2006, shall be invalid and
43 void.

44 3. The rights, privileges, entitlements, and duties of parties to
45 contracts, leases, agreements, and other transactions entered into
46 before July 1, 2007, by any predecessor agency and which pertain to the
47 functions transferred to the division of community health by this
48 chapter shall continue to exist; and none of such rights, privileges,
49 entitlements, and duties are impaired or diminished by reason of the
50 transfer of the functions to the division. In all such instances, the
51 division of community health shall be substituted for the predecessor
52 agency, and the division of community health shall accede to the rights
53 and duties under such contracts, leases, agreements, and other
54 transactions.

55 4. The commissioner of community health is authorized to
56 transfer division employees from one office to another office within the
57 division.

58 5. Any appropriation made to an entity or program described
59 under subsection 1 of section 37.635 prior to July 1, 2007, as such
60 appropriation relates to the functions and duties transferred to the
61 division of community health shall be transferred to the office of
62 administration on July 1, 2007, for use by the division.

 37.645. There is hereby created within the office of
2 administration the position of commissioner of community health. The
3 commissioner shall be the chief administrative officer of the division
4 and shall be subject to appointment by the governor, with the advice

5 and consent of the senate. Subject to the general policy established by
6 the board, the commissioner shall supervise, direct, account for,
7 organize, plan, administer, and execute the functions vested in the
8 division. The commissioner shall be subject to removal by the
9 governor.

37.650. Under section 3.060, RSMo, the revisor of statutes shall
2 have the authority to make all changes necessary to effectuate the
3 purposes of sections 37.625 to 37.645, including, but not limited to,
4 substituting the name of agencies transferred by law, and transferring
5 sections or dividing or combining sections consistent with the transfers
6 made in sections 37.625 to 37.645 without changing the meaning of such
7 sections.

208.014. 1. There is hereby established the "Medicaid Reform
2 Commission". The commission shall have as its purpose the study and review of
3 recommendations for reforms of the state Medicaid system. The commission shall
4 consist of ten members:

5 (1) Five members of the house of representatives appointed by the
6 speaker; and

7 (2) Five members of the senate appointed by the pro tem.

8 No more than three members from each house shall be of the same political
9 party. The directors of the department of social services, the department of
10 health and senior services, and the department of mental health or the directors'
11 designees shall serve as ex officio members of the commission.

12 2. Members of the commission shall be reimbursed for the actual and
13 necessary expenses incurred in the discharge of the member's official duties.

14 3. A chair of the commission shall be selected by the members of the
15 commission.

16 4. The commission shall meet as necessary.

17 5. The commission is authorized to contract with a consultant. The
18 compensation of the consultant and other personnel shall be paid from the joint
19 contingent fund or jointly from the senate and house contingent funds until an
20 appropriation is made therefor.

21 6. The commission shall make recommendations in a report to the general
22 assembly by January 1, 2006, on reforming, redesigning, and restructuring a new,
23 innovative state Medicaid healthcare delivery system under Title XIX, Public Law
24 89-97, 1965, amendments to the federal Social Security Act (42 U.S.C. Section 30

25 et. seq.) as amended[, to replace the current state Medicaid system under Title
26 XIX, Public Law 89-97, 1965, amendments to the federal Social Security Act (42
27 U.S.C. Section 30, et seq.), which shall sunset on June 30, 2008].

Section B. Because of the need to promote the health care of state
2 employees and of citizens of this state, section A of this act is deemed necessary
3 for the immediate preservation of the public health, welfare, peace and safety,
4 and is hereby declared to be an emergency act within the meaning of the
5 constitution, and section A of this act shall be in full force and effect upon its
6 passage and approval.

Unofficial ✓

Bill

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